

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VG0B-97/0916-0605

ELECTIONS, UNIT: V-3550

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70.C by supplementing the Order previously issued by the Board for subject Docket on October 10, 1997, and recorded at Deed Book 330, Page 696 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on October 21, 1997 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Equitable Resources Energy Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated October 23, 1997, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated December 2, 1997, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70.C (herein "Affidavit

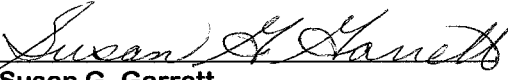
- (d) Current Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election, a copy of which is attached hereto as Exhibit B.
- (e) Current Board standards requiring the escrow of funds and the board's agreement with its Escrow Agent, First Virginia Bank-Mt. Empire, Trust Department, P. O. Box 1038, Abingdon, Virginia 24212, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2, above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Virginia Bank-Mt. Empire, Trust Department, P. O. Box 1038, Abingdon, Virginia 24212, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order was sent to each person whose interest or claim is subject to escrow and whose address is known.
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28th day of December, 1997 by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

STATE OF VIRGINIA }
COUNTY OF WISE }

Acknowledged on this 28th day of December, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My Commission expires 7/31/98

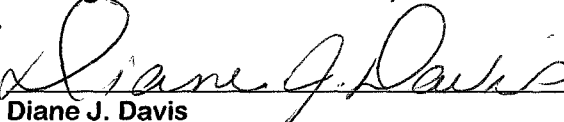
BK 332PG 301

DONE AND EXECUTED this 28th day of December, 1997 by order of
this Board.


Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA }
COUNTY OF WASHINGTON }

Acknowledged on this 28th day of December, 1997,
personally before me a notary public in and for the Commonwealth of Virginia,
appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is
Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the
same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/2001

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Resources Energy Company, Eastern Region for Forced Pooling of Interests in Unit Number V-3550, VGOB Docket No. VGOB-97/0916-0605 in the Willis Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of Wilhoit & Kaiser, the Agent for the Designated Operator, with offices located at 155 Shelby Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on October 10, 1997, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on October 21, 1997.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

None.

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

See Attachment 1 attached hereto and made a part of.

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:
8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraphs 10 of the Order.

The following persons have not made a timely election, did not enter into a voluntary Agreement, and are deemed to have leased for failure to timely respond:

Tract 2	Nancy Baker Heirs (unknown)	17.10 Acres x \$5=\$85.50
		Subject to Escrow

That pursuant to the provision of 4 VAC 25-160.70.C , annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

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Dated at Kingsport, Tennessee, this 2nd day of December 1997.

James E. Kaiser
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Resources Energy Company, a corporation, on behalf of the corporation, this 2nd day of

December 1997.

Jamie E. Miller
Notary

My Commission Expires: July 31, 2001



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EXHIBIT "B"
V-3550
VGOB 97-0916-0605

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
1	United States of America (Department of the Interior) Bureau of Land Management (Eastern States) Attn: Ms. Tondi Ballard 7450 Boston Boulevard Springfield, VA 22153	Leased-EREC 242787L01 USA Tr. 622, 621 & 620 (VAES 40605)	23.930000%	26.9700	0.02991250	RI
	Equitable Resources Energy Company				0.20938750	WI
	Tract 1 Totals		23.930000%	26.9700	0.23930000	
2	<u>Nancy Baker Heirs</u> Unknown	Unleased	15.180000%	17.1000	0.01897500	RI
	Equitable Resources Energy Company				0.13282500	WI
	Tract 2 Totals		15.180000%	17.1000	0.15180000	
3	Ethel R. Hall, a widow c/o Barbara Colley P. O. Box 342 Maxie, VA 24628-0342	Leased-EREC 242907L12	1.866667%	2.1033	0.00233333	RI
	Barbara Colley and Warren Colley, H/W P. O. Box 342 Maxie, VA 24628-0342	Leased-EREC 242907L13	0.622222%	0.7011	0.00077778	RI
	Vayard Hall and Lola Hall, H/W 26726 Delton Ave. Madison Heights, MI 48071	Leased-EREC 242907L01	0.622222%	0.7011	0.00077778	RI
	Helen S. Hall (Deceased)	Leased-EREC 242907L07	0.622222%	0.7011	0.00077778	RI

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EXHIBIT "B"

V-3550

VGOB 97-0916-0605

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
	Robert L. Hall and Dorsie M. Hall, H/W P. O. Box 45 Haysi, VA 24256	Subject to 242907L07	unknown	unknown	0.00000000	RI
	David L. Hall, single P. O. Box 282 Waterloo, SC 29384	Subject to 242907L07	unknown	unknown	0.00000000	RI
	Irene Christmas, single 5402 Sherry Dr. San Antonio, TX 78242	Leased-EREC 242907L08	0.622222%	0.7011	0.00077778	RI
	Nancy Cunningham, single 17940 Shaw Circle Conroe, TX 77302-6895	Leased-EREC 242907L14	0.622222%	0.7011	0.00077778	RI
	Mabel H. Fields, single P. O. Box 2608 Abingdon, VA 24212	Leased-EREC 242907L09	0.622223%	0.7012	0.00077777	RI
	Equitable Resources Energy Company				0.04900000	WI
	Tract 3 Totals		5.600000%	6.3100	0.05600000	
4	United States of America (Department of the Interior) Bureau of Land Management (Eastern States) Attn: Ms. Tondi Ballard 7450 Boston Boulevard Springfield, VA 22153	Leased-EREC 242787L01 USA Tr. 627-1 (VAES 40605)	7.620000%	8.5900	0.00952500	RI
	Equitable Resources Energy Company				0.06667500	WI
	Tract 4 Totals		7.620000%	8.5900	0.07620000	

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EXHIBIT "B"
V-3550
VGOB 97-0916-0605

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
5	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart P. O. Box 5100 Lebanon, VA 24226	Leased-EREC 241490L01 Tarct T-853	30.920000%	34.8400	0.03865000	RI
	Equitable Resources Energy Company				0.27055000	WI
	Tract 5 Totals		30.920000%	34.8400	0.30920000	
6	United States of America (Department of the Interior) Bureau of Land Management (Eastern States) Attn: Ms. Tondi Ballard 7450 Boston Boulevard Springfield, VA 22153	Leased-EREC 245275L01 USA Tr. 550-G	16.750000%	18.8800	0.02093750	RI
	Equitable Resources Energy Company				0.14656250	WI
	Tract 6 Totals		16.750000%	18.8800	0.16750000	
TOTALS			100.000000%	112.6900	1.00000000	

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, Jan 7, 1998. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:53 o'clock P.M., after payment of \$ — tax imposed by Sec. 58.1-802.

Original returned this date to:

Diane Davis

TESTE: JOE TATE, CLERK

BY: Joe Tate D. CLERK